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DIGIMARC CORPORATION  
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EXAMINER

FADOK, MARK A

ART UNIT	PAPER NUMBER
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3625

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**GROUP 3600**

**BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES**

Application Number: 09/502,542  
Filing Date: February 10, 2000  
Appellant(s): DAVIS ET AL.

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William Y. Cornell  
For Appellant

**EXAMINER'S ANSWER**

This is in response to the appeal brief filed 5/15/2006 appealing from the Office action mailed 12/5/2005.

**(1) Real Party in Interest**

A statement identifying by name the real party in interest is contained in the brief.

**(2) Related Appeals and Interferences**

The examiner is not aware of any related appeals, interferences, or judicial proceedings, which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

**(3) Status of Claims**

The statement of the status of claims contained in the brief is correct.

**(4) Status of Amendments After Final**

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

**(5) Summary of Claimed Subject Matter**

The summary of claimed subject matter contained in the brief is correct.

**(6) Grounds of Rejection to be Reviewed on Appeal**

The appellant's statement of the grounds of rejection to be reviewed on appeal is correct.

**(7) Claims Appendix**

The copy of the appealed claims contained in the Appendix to the brief is correct

**(8) Evidence Relied Upon**

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6,381,583	Kenny	4-2002
6,123,259	Ogasawara	9-2000
6,598,024	Walker	7-2003
5,424,534	Ruppert	6-1995

St. Regis Paper Co. v Bemeis Co., 193USPQ 8.

### **(9) Grounds of Rejection**

The following ground(s) of rejection are applicable to the appealed claims:

#### **Examiner's Note**

Examiner has cited particular columns and line numbers or figures in the references as applied to the claims below for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

#### ***Invention I***

#### ***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

**Claims 1,10,20-25 are rejected under 35 U.S.C. 102(e) as being anticipated by Swartz (US 6,243,447).**

1. (Original) A method comprising:  
presenting a collection of retail items (col 7, line 41),  
each having an indicia associated therewith, in a bricks and mortar store offering items for sale (FIG 3, item 75);

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sensing the indicia associated with selected ones of said items (FIG 1);  
compiling a list identifying the items whose indicia were sensed (FIG 4);  
storing said list in a data structure associated with a user; and later recalling said list (FIG 4, item 124);  
using said recalled list to present a customized selection of items in an on-line shopping environment (col 8, lines 7-53); and  
receiving input from a user identifying a subset of items from said customized selection of items (col 3, lines 18-39).

10. (Previously Presented) The method of claim 1 in which the sensing comprises sensing said selected items along aisles at which said items are displayed, away from a checkout stand (col 3, lines 43-50).

20. (Previously Presented) A method of facilitating on-line shopping comprising: collecting data about products of interest during a shopper's visit to a bricks and mortar store,  
said data being collected prior to check-out; and  
using the data thereby acquired in a later on-line shopping session with said shopper (see response to claim 1).

21. (Previously Presented) The method of claim 20 wherein at least certain of the products of potential interest are not purchased by said shopper during said visit to said store (see response to claim 1).

22. (Previously Presented) The method of claim 20 wherein the data collection includes shopper activation of a shelf-based sensor associated with a product of interest (see response to claim 11).

23. (Previously Presented) The method of claim 20 wherein the data collection includes shopper use of a sensor device in the aisle of the store to collect data relating to a product of interest (see response to claim 10).

24. (Previously Presented) The method of claim 1 wherein at least one of said items is sensed while located in an aisle of the store, rather than at checkout (col 3, lines 43-50).

25. (Previously Presented) The method of claim 1 wherein the sensing of at least one item occurs without an associated purchase transaction (col 3, lines 17-38).

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and

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the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

**Claims 11 are rejected under 35 U.S.C. 103(a) as being unpatentable over Swartz in view of Official Notice.**

In regards to claim 11, Swartz teaches sensing a device but does not specifically mention that the device being sensed is and RFID device. It was old and well known in the art at the time of the invention to sense products using an RFID device. It would have been obvious to a person having ordinary skill in the art at the time of the invention to include in Swartz sensing using RFID, because this would improve the capability of Swartz' system by including additional capability sense products that may only have RFID devices.

**Claims 26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Swartz in view of St. Regis Paper Co. v. Bemis Co., 193 USPQ 8.**

In regards to claim 26, Swartz teaches reading barcode data from a product and storing the information in memory for later use and using the stored bar code data to create an order list which is distributed to a store for pricing and other information. It would have been obvious to a person of ordinary skill in the art at the time of the invention to have the invention used for more than one store, since it has been held that mere duplication of the essential working parts of a system involves only routine skill in the art. St. Regis Paper Co. v. Bemis Co., 193 USPQ 8.

### ***Invention II***

**Claims 3-6,1,14 and 27 are rejected under 35 U.S.C. 103(a) as being unpatentable over Swartz in view of Official Notice.**

3. {Original} A method of conducting an online shopping session comprising: identifying a user by reference to a login identifier (FIG 5);

recalling a list of products associated with the user (FIG 4);

presenting products from said list to the user for selection (FIG 4);

receiving user selections of products to be purchased (FIG 4);

receiving an indication that the user is finished selecting products (FIG 4); and

Swartz teaches creating a predicted shopping list that is generated from a customer's historical profile and providing promotional information related to a saved list of products scanned, but does not specifically mention that the user is alerted after the user finalized the transaction of an additional product they may have missed from the recalled list. Providing information about an apparent missed product such as something used in a recipe is old and well known in the art. It would have been obvious to a person

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having ordinary skill in the art at the time of the invention to include providing additional information on products that may have been missed, because this would both increase sales revenue and provide a needed service to the busy customer who may have overlooked that special ingredient. Swartz would be motivated to incorporate this information after all selections were made, because providing the information to early would be annoying since the person may be ready to select the products needed.

In regards to claim 12, Swartz teaches a recall list and providing the user with items not selected by the user, but does not specifically mention that the item is a cookie or dessert. The examiner maintains that the list would be considered the set of items and the items upon the list the sub-set, therefore, understanding the opportunity for an infinite number of products in a store being placed on this list, the examiner has concluded that all items that could be present on a list are included as the sub-set to the total set of items being the list. Furthermore, the examiner does not understand the applicant's apparent differentiation between a dessert and a cookie, considering that one of ordinary skill in the art might consider a cookie (sub-set) within the definition of a dessert item (total set or list), an example being a fortune cookie presented at the end of a Chinese meal as a dessert. Webster's dictionary defines dessert as a sweet course or dish served at the end of a meal. Considering this definition the examiner also points the applicant's attention to FIG 6, which has presented several sweet items such as hot cocoa and granola.

In regards to claims 5,6,13 and 14, Swartz teaches creating a predicted shopping list that is generated from a customer's historical profile and providing promotional information related to a saved list of products scanned, but does not specifically mention that the user is alerted of an additional product they may have missed from the recalled list. Providing information about an apparent missed product such as under the conditions stated in claims 5,6,13 and 14 is old and well known in the art. It would have been obvious to a person having ordinary skill in the art at the time of the invention to include providing information on additional products that may have been missed, because this would both increase sales revenue and provide a needed service to the busy customer who may have overlooked that special ingredient. Swartz would be motivated to incorporate this information after all selections were made, because providing the information to early would be annoying since the person may already be aware of the products needed.

4. (Original) A computer storage medium having instructions thereon causing a computer to perform the process of claim 3 (see response to claim 3).

**Claims 27 are rejected under 35 U.S.C. 103(a) as being unpatentable over Swartz in view of St. Regis Paper Co. v. Bemis Co., 193 USPQ 8.**

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In regards to claim 27, Swartz teaches reading barcode data from a product and storing the information in memory for later use and using the stored bar code data to create an order list which is distributed to a store for pricing and other information. It would have been obvious to a person of ordinary skill in the art at the time of the invention to have the invention used for more than one store, since it has been held that mere duplication of the essential working parts of a system involves only routine skill in the art. *St. Regis Paper Co. v. Bemis Co.*, 193 USPQ 8.

### ***Invention III***

**Claim 7 is rejected under 35 U.S.C. 102(e) as being anticipated by Swartz (US 6,243,447).**

7. (Original) A method comprising: logging a shopper's habits or preferences exhibited in an on-line shopping environment in one or more database records associated with that shopper (FIG 3); and

recalling said logged database record in a bricks and mortar store and using the logged information in connection with bricks and mortar shopping by said user (col 11, lines 20-25).

### ***Invention IV***

#### ***Claim Rejections - 35 USC § 103***

**Claims 9,15-17 and 19 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kenney (US 6,381,583) in view of Swartz.**

9. (Currently Amended) In a method of on-line shopping from a first vendor, an improvement comprising: displaying a virtual shopping aisle with graphical, rather than strictly textual -representations of items for sale (FIG 7),

wherein items of potential interest to a shopper are presented more prominently than other items (FIG 7, col 10, lines 1-5), and

Kenney teaches identifying items of potential interest by reference to the shopper's prior activity (FIG 7, reorder item), but does not specifically mention that the historical information was gathered at a brick and mortar store. Swartz teaches scanning data on a device, which can later be used to purchase products on-line (see response to claim 1). It would be obvious to a person of ordinary skill in the art at the time of the invention to include in Kenney using information gathered at a brick and mortar store as is taught by Swartz, because this would give Kenney the means for easily creating a personal shopping list from items available to the shopper (col 3, 30-35).

15. (Previously Presented) The method of claim 9 wherein said activity is activity in a bricks and mortar store associated with the first vendor (Swartz, FIG 3)).



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16. (Previously Presented) The method of claim 9 wherein said activity is a shopping activity (FIG 10B).

17. {Currently Amended} In a method of on-line shopping from a first vendor, an improvement comprising displaying a virtual shopping aisle with graphical - rather than strictly textual - representations of items for sale (see response to claim 9),

wherein items of potential interest to a shopper are presented more prominently than other items (see response to claim 9), and

that includes identifying items of potential interest by reference to the shopper's prior activity in the a bricks and mortar store (see response to claim 9),

wherein said items of potential interest include at least one item that the shopper has not previously purchased from said first vendor (FIG 7, special today).

19. (Currently Amended) In a method of on-line shopping from a first vendor, an improvement comprising displaying a virtual shopping aisle with graphical - rather than strictly textual - representations of items for sale (see response to claim 9),

wherein items of potential interest to a shopper are presented more prominently than other items (see response to claim 9), and

that includes identifying items of potential interest, at least in part, by sensing identification data from products while at the shopper's residence (col 3, lines 20-35).

**Claim 18 is rejected under 35 U.S.C. 103(a) as being unpatentable over Kenney (US 6,381,583) in view of Swartz and further in view of St. Regis Paper Co. v. Bemis Co., 193 USPQ 8.**

18. (Currently Amended) In a method of on-line shopping from a first vendor, an improvement comprising displaying a virtual shopping aisle with graphical - rather than strictly textual-representations of items for sale (see response to claim 9),

wherein items of potential interest to a shopper are presented more prominently than other items (see response to claim 9), and

that includes identifying items of potential interest by reference to the shopper's prior shopping history (see response to claim 9),

Kenney teaches identifying items of potential interest by reference to the shopper's prior activity (FIG 7, reorder item), but does not specifically mention that the historical information was gathered at a brick and mortar store. Swartz teaches scanning data on a device, which can later be used to purchase products on-line (see response to claim 1). It would be obvious to a person of ordinary skill in the art at the time of the invention to include in Kenney using information gathered at a brick and mortar store as is taught by Swartz, because this would give Kenney the means for easily creating a personal shopping list from items available to the shopper (col 3, 30-35).

The combination of Kenny and Swartz teaches the use of historical lists based on past ordering and predetermined buying frequencies (col 1, lines 49-52 and see above) and recording purchases from a brick and mortar store. It would have been obvious to a person of ordinary skill in the art at the time of the invention to have the invention used for

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more than one store/vendor, since it has been held that mere duplication of the essential working parts of a system involves only routine skill in the art. *St. Regis Paper Co. v. Bemis Co.*, 193 USPQ 8.

### ***Response to Arguments***

Applicant traverses the Official Notice taken in the office action in regards to claims 3,5,6,13 and 14. In response the examiner provides Ogasawara 6,123,259 (col 13, lines 1-15 and col 13, lines 35-45) as examples of limitations found in claims 3,5,13 and prior purchase habits of claim 14, Walker 6,598,024, col 2, lines 32-42 as and example of the limitation found claim 6 and US Patent 5,424,534 to Ruppert col 1, lines 29-35 as an example of identifying and presenting an omitted item.

Applicant requested that the examiner explain if the use of case law is official notice. The examiner has corrected this by placing the case in the header of the rejection.

The examiner notes that applicant does not traverse the taking of official notice in claim 11.

The examiner has considered applicant's arguments in regards to claim 18 and has modified this claim rejection to satisfy the applicant's arguments.

### **(10) Response to Argument**

**Claim 1,20,21,7 and 25** – Appellant argues that Swartz does not teach using said recall list in an online environment. The examiner disagrees and further directs appellant's attention to FIG 4 where it is abundantly clear that a recall list is being accessed and then FIG 3 where the portable communications terminal 72 accesses the store computer73 through a network access point.

Appellant argues that Swartz does not teach receiving a subset of items from the user from said customized selection of itemscol 3, lines 18-40, clearly teach the use of historical information from which a subset shopping list may be generated and used during a shopping session.

**Claim 22** – Appellant argues that Swartz does not teach shopper activation of a shelf based sensor associated with a product of interest and sites a passage from the specification page 3-4. The examiner disagrees and further directs the appellant's attention to 1 and 3, which clearly depicts a barcode reader.

**Claim 3,4,5,6,12,16,14, and 27** – Appellant argues that the use of Official Notice, but later argues the examiner's showing of evidence in the use of Osagawara. The examiner has meet his burden by supplying a teaching in the art as was requested in appellant's after final request.

**Claims 27 and 26** – the examiner disagrees that the case cited is not pertinent, because using the list in a in a plurality of stores would have been well within the skill an ordinary artisan in =the art at the time of the invention.

**Claims 9,15,16,17,19and 18** – The examiner disagrees with appellant's arguments and feels confident that the features are clearly evident in the cited art or record and need not be further belabored.

**(11) Related Proceeding(s) Appendix**

No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,



Mark Fadok

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